



# THE KEY TO HOME OWNERSHIP

Home Reach for the  
Armed Forces

HOME  
REACH





# Home Reach, making homes accessible

With Home Reach you buy a share of your chosen newly built home and pay a monthly rent on the part you don't buy. Your budget will decide the size of the share you buy, rather than the size of your home. So, you might decide to buy a bigger share of a lower priced home or a smaller share of a more expensive home.

You can initially purchase shares up to 75% depending on your affordability\* and heylo will become your landlord granting you a lease\*\*. This means you will be able to live in your home as if you've bought it outright. You can buy more of your home in the future and stop paying rent on that part.

\*Starting shares vary across sites, for more information please speak to the team. \*\* Lease lengths vary, please speak to the team on site for more information

## Eligibility

You are eligible to purchase a Home Reach property in England if:

- ☒ You household income does not exceed £80,000 per annum (£90,000 in London)
- ☒ You have a deposit (at least 5% of the share value)
- ☒ Registered and approved for shared ownership by your local Help to Buy agent
- ☒ You are a first-time buyer or used to own a home but cannot afford to buy 100% of the property now
- ☒ You currently occupy a shared ownership property and are looking to move
- ☒ You have passed a financial assessment, demonstrating you are financially able to purchase the minimum share value and support the monthly costs
- ☒ You have a good credit history (no bad debts or County Court judgments) and can afford the regular payments and costs involved in buying a home
- ☒ The property will be your principle and only home at time of purchasing

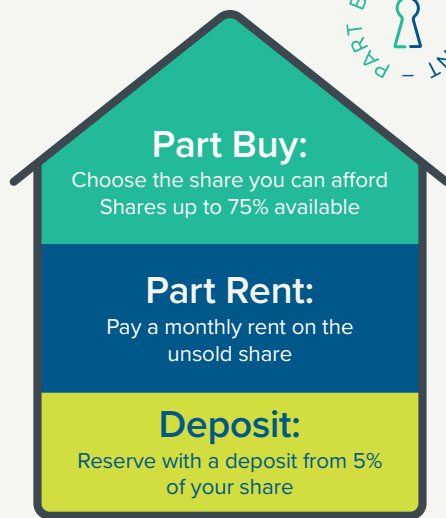
Please note - some developments may also require a local connection. Full details of our credit criteria can be found at [homereach.org.uk](http://homereach.org.uk)

Help to Buy

To find your  
local Help to Buy  
agent, visit

[helptobuy.gov.uk](http://helptobuy.gov.uk)

# How does it work?



## Example

|                              |                 |
|------------------------------|-----------------|
| <b>Property Value</b>        | <b>£200,000</b> |
| 50% share value              | £100,000        |
| 5% deposit of share value    | £5,000          |
| Mortgage required            | £95,000         |
| Monthly rent                 | £229            |
| Monthly lease management fee | £20.88          |
| Indicative household income  | £27,760         |

Illustrated costs only. These figures are based on purchasing 50% of a £200,000 property with annual household income based on a mortgage term of 25 years and 3.9%, for exact costings please speak to a Financial Adviser. Home Reach uses a Government standard shared ownership lease, rent on the unsold share is charged at 2.75% and increases annually by RPI + 0.5%, the monthly lease management fee increases annually by RPI. The illustrated costs excludes building insurance and any estate fees or services charges which may be applicable. You will need to consider the responsibilities and associated costs involved of owning a home. Your home may be repossessed if you do not keep up with payments on your mortgage or shared ownership lease. Correct at time of publication.

# The Home Reach buyers journey





# Supporting the armed forces:

We are proud to have signed the Armed Forces Covenant, pledging our commitment to fair treatment and support of the Armed Forces community, including regulars, reserves, veterans and their families.

We work in partnership with national, regional and local housebuilders, estate agents, local authorities and wider stakeholders to deliver part buy – part rent across England. These partnerships paired with the signing of the Covenant, now bring home ownership within reach for many in the armed forces community.



## Sharing

With Home Reach, armed forces personnel can sublet a room in their home at any time.

## Exclusive benefits for members of the armed forces:



## Deployment

You have the option to sublet your entire home if posted (subject to mortgage lenders approval).



## Options

The Home Reach part buy – part rent scheme can be used in conjunction with Forces Help to Buy and FAM payments

A little extra  
Receive £500  
towards legal fees  
when you reserve  
a Home Reach  
property\*



\*New reservations only. Must provide valid ID, presented at the time of reserving and a copy sent with a reservation form. No cash alternative and will be deducted from the completion.

# Why choose Home Reach?

## Affordable



An affordable way to get on the housing ladder

## Flexibility



You can sell or move at any time

## Investment



You can benefit from any increase in property prices

## Staircasing



Ability to increase the level of ownership at any time

## Pets



We are happy for you to have pets in your home\*

## Security



Provides the security of home ownership

## Stamp Duty



No Stamp Duty Land Tax for First Time Buyers purchasing a Home Reach property, valued up to £500,000

## Freedom



Gives you the freedom to decorate and improve your home

## Choice



A wide range of houses and apartments available across the country

\*You may need the permission of the managing agent or developer

# The key facts about Home Reach



## Leasehold

The home you are purchasing is sold as leasehold as there is a Shared Ownership Lease and more than one party (purchaser and heylo housing RP) involved in the process.

## Lease

Home Reach uses a Government standard shared ownership lease.

## Completion

On completion you will need to pay for the remainder of the current month and following month's rent and lease management fee.

## Unsold share

The unsold share is owned by heylo housing group. heylo housing RP will be your landlord and will collect the monthly rent and lease management fee.

## Rent

Rent on the unsold share is initially charged at 2.75%\*. Rent is reviewed annually in April and increases by RPI + 0.5%.

## Lease management

Monthly lease management fee is currently charged at £20.88. It is reviewed every April and increases by RPI.\*\*

## Insurance

Building insurance is provided under the lease, you will pay the rest of the premium due for the policy year when you complete (unless included within your service charge).

## Deed of covenant

On completion you will enter into a Deed of Covenant or will have given notice to the management company, this direct agreement will allow you to pay any service or estate charges directly to the housebuilder (or managing agent).



# Frequently asked questions:

## 1. Is this scheme for First Time Buyers only?

No, this scheme is open to both first time buyers and those wanting to get back on or move up the property ladder. If you currently own a home, you will need to ensure this is sold subject to contract at time of reserving and be homeownership free at time of completion.

## 2. Can I sublet a room in a part buy - part rent home?

Yes, you can sublet a room through the government rent a room scheme with no need to inform heylo.

## 3. Do I have to purchase a home for my needs?

Your home, style and size are based on your affordability.

## 4. Do I have to be married or have children to use Home Reach?

No, anyone can use Home Reach as long as they meet the eligibility criteria.

## 5. Can I leave the Forces after purchasing with Home Reach?

Yes, however if you have used FHtB to contribute to your share, you may need to pay off the outstanding balance.

## 6. I currently own a property, but it is not suitable for my family – can I use Home Reach?

Yes, you will need to ensure you meet Home Reach's eligibility criteria and your current property will need to be sold subject to contract at time of reserving.

## 7. I have been posted, can I sublet my property?

If you have been posted, you can sublet your property. You will need to supply heylo with a copy of your posting order/notification along with a period of time you wish to sublet for. You must intend to re-occupy your property upon return of your posting. Please note, this will also need to be agreed with your mortgage lender.





## 8. Are there any incentives for serving personnel using Home Reach?

For serving personnel, Home Reach offers £500 contribution towards legal fees. To redeem this offer, please ensure this is noted on the reservation form with your chosen builder and a copy of your ID submitted alongside your reservation.

Please note, there is no cash alternative available and the £500 will be deducted from your completion statement.

## 10. Can I move?

You can move at anytime, selling your home is a straightforward process. You simply contact the Portfolio Team at heylo who will guide you through the process. There will also be additional information about selling in your shared ownership lease.

## 9. Can I buy more shares at a later date?

You can increase your share in your property at any time after you complete your initial purchase. This is known as 'staircasing'. Each time you staircase, you will need to budget for: valuation fee, legal expenses such as solicitors and Stamp Duty Land Tax (SDLT) (if applicable) and Mortgage fees.

You will need to obtain a RICS valuation on the property to determine the price, this along with written confirmation that you would like to purchase more of your home needs to be sent to the Portfolio Team at heylo, who will guide you through the next stage of the process.

## 11. Are there any other schemes available, not on new builds?

heylo also offer Your Home, a part buy – part rent scheme available on pre-owned homes available with estate agents across England and Wales. For more information on Your Home, please visit [www.yourhome.org.uk](http://www.yourhome.org.uk)

## 12. Who do I contact if I have a problem once I move in?

If you have just moved into the property and are experiencing any snagging issues, you will need to contact the housebuilder. If you experience issues at a later date, contact the Portfolio team who may be able to assist or point you in the right direction.

## 13. What is Forces Help to Buy (FHtB)?

FHtB enables Service Personnel to borrow up to half of their annual salary (capped at a maximum of £25,000) and is intended as an advance to assist towards deposit or any legal or estate agent fees. For more information on using FHtB, it's criteria and repayment models, please refer to JSP 464, Part 1 Chapter 12

## 14. Do I still need to apply and be approved for Help to Buy, if I am using FHtB?

Yes, you will still need to register and be approved by your local Help to Buy agent, to ensure you are eligible for part buy – part rent.







## 15. How do I apply for Forces Help to Buy (FHTB)?

You can apply for FHTB on JPA through a self-service application, full instructions for completions are available in the JPA user guide under the section "Applying for pre-approval for FHTB". In exceptional circumstances, where you don't have access to JPA, the JPA Form E035 can be used and forwarded to DBS Military Personnel FHTB Section, a minimum of 6 weeks before you are due to complete.

## 16. Are there any restrictions when using FHTB with Home Reach?

No, there are no restrictions with using Home Reach in conjunction with FHTB as long as both eligibility criteria's are satisfied.

## 17. How does Forces Help to Buy (FHTB) work with Home Reach?

FHTB works as a deposit for your share, which can either be bought in cash or with a mortgage. You will be paying rent on the remaining share you do not purchase.

## 18. Can I use the Future Accommodation Model (FAM) with Home Reach?

If you meet the eligibility criteria set by FAM and Home Reach, you can use FAM to contribute towards your monthly payments of your chosen home (mortgage or rent).



Home Reach is available at a wide range of developments across England



If you have any questions  
or want to find out more  
about Home Reach  
please get in touch:

Call

020 3744 0415

Email

[info@homereach.org.uk](mailto:info@homereach.org.uk)

Visit

[www.homereach.org.uk](http://www.homereach.org.uk)